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SUBJECT: CZECH PARLIAMENT MAKES COMMITTEE ASSIGNMENTS, AND MAKES LIFE EVEN MORE DIFFICULT FOR MINORITY ODS GOVERNMENT

- 11. (SBU) Summary: Nearly 15 weeks after the June 2-3 general election, the Czech parliament has finalized committee assignments. The Social Democrats (CSSD), which came in second in the election behind the Civic Democrats (ODS) arguably took the best assignments. The smaller parties have fewer chairmanships than in the previous parliament, accenting the competition between the two main rivals. The committee assignments were made within the context of ongoing negotiations on the formation of the minority ODS government. If that government doesn't pass its vote of confidence, expected for October 4, some of the assignments might change. The assignments for the foreign affairs and defense committees signify relative continuity; more conflict is likely on economic and social issues. END SUMMARY
- $\underline{\P}2$. (SBU) Negotiations over committee assignments in the new Parliament have been a critical but behind-the-scenes part of the wrangling that followed the deadlocked June elections. All the assignments were made this week, with leadership positions apportioned in a manner that favors the two largest parties. All parties have agreed on a 2/2/1/1 formula under which the six-person leadership of every committee includes 2 ODS, 2 CSSD, 1 Communist (KSCM) and 1 from either the Greens (SZ) or the Christian Democrats (KDU-CSL). The one exception will be the petition committee, which has one representative from each of the five parties in parliament. The Greens were given one committee chair - Party Deputy Chair Ondrej Liska will be the Chair of the EU Committee, a position that could be fairly important in the run up to the Czech EU Presidency in 2009. Green Chairman Martin Bursik will be on the Environment Committee, but will not be chair. KDU-CSL also got only one chair - Libor Ambrozek, former Environment Minister, will be Chair of the Environment Committee. Several existing committees were split to create more places for the outgoing CSSD Ministers. The Health and Social Affairs Committee, for example, was split into two new committees. Outgoing Health Minister David Rath (CSSD) will chair the new Health Committee, outgoing Labor and Social Affairs Minister Zdenek Skromach (CSSD) will chair the Social Affairs Committee. The previous Defense and Security Committee was also split in two. CSSD will get Security for outgoing Interior Minister Frantisek Bublan. Jan Vidim, ODS, who previously chaired the Defense and Security Committee will get the new Defense Committee. Outgoing Finance Minister Bohuslav Sobotka (CSSD) will chair the Budget Committee.
- 13. (SBU) Jan Hamacek, a 28 year old freshman parliamentarian from CSSD, will be the new Chair of the Committee on Foreign Affairs. The outgoing Speaker of Parliament, and CSSD Shadow Foreign Minister, Lubomir Zaoralek is the only other CSSD member with significant foreign policy experience. As a Deputy Speaker of the Parliament, Zaoralek is unable to head a committee. Hamacek was previously the CSSD International Secretary and an advisor to former Prime Minister Jiri

Paroubek.

The full leadership of the Foreign Affairs Committee is given

below:

ODS David Seich
ODS Tomas Dub

CSSD Jan Hamacek (Chair)

CSSD Jan Splichal KDU-CSL Cyril Svoboda KSCM Katerina Konecna

14. (SBU) The presence of former Foreign Minister Cyril Svoboda, an active supporter of close ties to the United States, is a positive. The Communist representative is interesting as KSCM was expected to choose Vaclav Exner, the 63 year old parliamentarian and ideological hard-liner who was on the leadership of the foreign affairs committee in the previous parliament. Instead, KSCM put forward a 24 year-old woman with relatively little foreign affairs experience, Katerina Konecna. Hamacek told post that this had been done in an attempt by KSCM to improve its image. Seich is the only member carried over from the leadership of the previous committee, making predictions more difficult. However, the departure of Exner, former Committee Chair Jan Kavan, and former Deputy Chair Vladimir Lastuvka makes it likely that the committee will prove easier for us to deal with. While we have been impressed with Hamacek in the past, he is untested in a leadership role. On missile defense -possibly one of the most contentious issues this committee will confront -- Hamacek has been a critic but is not adamantly opposed.

15. (U) The Defense Committee, led by its former Chair, Jan

Vidim of ODS, also includes:
ODS Michael Hrbata
CSSD Antonin Seda
CSSD Miroslav Svoboda
KSCM Alexander Cerny

KDU-CSL Vlastanova Parkanova

Cerny was on the previous Defense and Security Committee and is the Communist Party's Shadow Defense Minister. As such he is in favor of the Czech Republic pulling out of NATO. Seda was also on the previous Defense and Security Committee. Parkanova was a former Minister of Justice, was Deputy Chair of the previous Defense and Security Committee, and was nominated as Defense Minister in the three-party coalition put forward by Mirek Topolanek in an unsuccessful attempt to form a government earlier this summer. With four of the six leaders carried over from the previous leadership, there is some expectation that this body will pursue positions similar to those of its predecessor.

16. (U) The following is the complete list of committee
chairs:

Economic, Oldrich Vojir, ODS Agriculture, Jiri Papez, ODS Constitutional & Legal, Marek Benda, ODS Public Administration, Tom Zajicek, ODS , Walter Bartos, ODS Education and Culture Defense, Jan Vidim, ODS Budget, Bohuslav Sobotka, CSSD Foreign Affairs, Jan Hamacek, CSSD Security, Frantisek Bublan, CSSD Social Affairs, Zdenek Skromach, CSSD Health Care, David Rath, CSSD Immunity, Miloslav Kala, CSSD Audit , Vladimir Konicek, KSCM Petition, Zuzka Bebarova-Rujbrova, KSCM Environment, Libor Ambrozek, KDU-CSL European Affairs, Ondrej Liska, Greens

17. COMMENT. (SBU) Czech politics has for many months been plagued by a partisan stalemate as the country lumbers towards what is expected to become a predominantly two-party system. The same rivalries that stymied progress before the election, during the campaign, and in the post-election struggle for power, will now continue thanks to the high

number of important committee assignments given to members of the outgoing Social Democrat government. For example, before the election, CSSD Finance Minister Bohuslav Sobotka and ODS Shadow Finance Minister Vlastimil Tlusty accused each other of presenting inaccurately hopeful budget numbers. The quarrel continues today with Tlusty as Finance Minister and Sobotka as Chairman of parliament's Budget Committee. Similarly, earlier this year, CSSD's Health Minister David Rath and ODS Shadow Health Minister Tomas Julinek exchanged vitriolic allegations. Julinek is now Minister of Health and Rath the Chair of Parliament's Health Committee. Rath was approved as Chairman with 102 votes, including one from former Foreign Minister Cyril Svoboda (KDU-CSL). He didn't get any votes of support from the 81 ODS parliamentarians. It is difficult to see Rath and Julinek setting aside their differences and working together in a non-partisan and effective manner. Of the ODS Chairs, Jan Vidim received the fewest votes in his confirmation. He is blamed by CSSD for playing a part in the release of allegations against CSSD just days before the election in the so-called Kubice Affair. The committee appointments will perpetuate the dynamic that has beset Czech politics recently: Things can only be achieved if the two large parties, ODS and CSSD cooperate. But during the struggle for power, initially in the pre-election campaign, and now during the prolonged period of government formation, the two sides seem more intent on bashing each other and scoring easy political points than in tending to the pressing tasks of government.

- 18. (SBU) In the spheres of Foreign Affairs and Defense it should be easier for the ministries and relevant parliamentary committees to cooperate. The Foreign Minister, Alexandr Vondra, and the Defense Minister, Jiri Sedivy, are both new and unaffiliated (although Vondra has already become a target for criticism from CSSD); neither of the committee chairs are expected to take overly political positions. But the areas where solutions are urgently needed, such as the budget or health care, are precisely those in which personal and party animosities are the greatest. The minority Topolanek government, with its limited shelf life, is going to have a difficult time passing painful, controversial, though much-needed reforms. If the committee assignments are anything to go by, its work just got tougher.
- 19. (U) Another point to keep in mind is the tenuous nature of the assignments. If Topolanek's minority government doesn't pass its vote of confidence, expected on October 4, and if the result is the formation of a ODS-CSSD grand coalition government, then some of the current CSSD committee chairs might end up as ministers in the next government, and some of the current ODS ministers who are also members of parliament

might want to compete for positions as committee chairs in parliament. In addition to the power and prestige, the job comes with a car and a raise from the usual MP salary of \$2450/month to \$3550/month. There is no guarantee how long the newly-selected chairs will be able to keep their cars. MUNTER